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ABSTRACT

Medicaid continues to be viewed as a primary funding mechanism for providing health coverage for children in poor and low-income families. In order to make informed decisions about health coverage for children, states need data on uninsured children and the potential role Medicaid can play in reducing the number of children who are without coverage. The Southern Institute on Children and Families released the first report on uninsured children in the south in November 1992. The report provided estimates of uninsured children by state, with age and income breakouts related to Medicaid. This is the second such report and covers the states of Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia, and the District of Columbia. The source of the estimates of uninsured children is the Current Population Survey (CPS). A major finding is that, of the 9.4 uninsured children in the United States in 1993, a total of 4.1 million (43%) resided in the south. Only 36% of all children lived in these 17 southern states. The report includes recommendations on actions states can take to reduce the number of uninsured children, and an appendix contains Medicaid amendments expanding eligibility for children. (EV)

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THE SOUTHERN INSTITUTE on Children and Families

UNINSURED CHILDREN IN THE SOUTH

Second Report

November 1996

Sarah Shuptrine

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UNINSURED CHILDREN IN THE SOUTH

SECOND REPORT

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EXECUTIVE SUMMARY

In the area of public policy, there are few issues more compelling than the need to assure that children are not denied access to preventive and primary health care because of the inability to pay. Research has shown that Medicaid coverage improves children's access to primary health care.

In 1986, a breakthrough in public policy occurred when the federal law was amended to open the door for pregnant women and children to be eligible for Medicaid without having to be on welfare. Additional amendments were enacted by Congress in succeeding years to increase the age and income ranges at which children are eligible for Medicaid.

Medicaid continues to be viewed as a primary funding mechanism for providing health coverage for poor and low income children. In order to make informed decisions about health coverage for children, states need data on uninsured children and the potential role Medicaid can play in reducing the number of children who are without coverage.

The Southern Institute on Children and Families released the first report on ***Uninsured Children in the South*** in November 1992. The report provided estimates of uninsured children by state with age and income breakouts related to Medicaid. This is the second report on ***Uninsured Children in the South***. Support for both reports has been provided by The Henry J. Kaiser Family Foundation.

The fact sheets in Chapter 4 contain estimates of uninsured children for each of the following states and the District of Columbia:

Alabama
Arkansas
Delaware
Florida
Georgia
Kentucky
Louisiana
Maryland
Mississippi
Missouri
North Carolina
Oklahoma
South Carolina
Tennessee
Texas
Virginia
West Virginia

This report also provides estimates of uninsured children, including the following:

- Number of uninsured children in 1993 with percent of uninsured children by age and income ranges.
- Decline or increase in the number of uninsured children between 1989 and 1993.

The source of the estimates of uninsured children is the Current Population Survey (CPS).

Estimates of Uninsured Children

Of the 9.4 million uninsured children in the United States in 1993, a total of 4.1 million (43%) resided in the South. The percentage of uninsured children in the South is disproportionately high since only 36% of all children lived in the 17 southern states and the District of Columbia. Analysis of the state and regional data show the following:

- Uninsured children as a percentage of a state's population of children age 18 and younger ranged from a high of 25% in **LOUISIANA** to a low of 10% in **MISSOURI** and **NORTH CAROLINA**.
- More than one million (25%) of all uninsured children in the South lived in **TEXAS**.
- In 12 southern states, less than one third of uninsured children lived in families with income at or below the poverty level.
- Older children in the South are much more likely to be uninsured than are children age five and younger. Between 1989 and 1993, the most dramatic increase in uninsured children occurred with children ages 13 through 18.
- Between 1989 and 1993, the most dramatic decrease in the number of uninsured children occurred with children age 12 and younger with income below the poverty level.
- The South had a much greater decline in the number of uninsured children age five and younger than the nation.
- In the South, age and income ranges which have the lowest percentages of uninsured children coincide with Medicaid age and income eligibility ranges.

Medicaid and Uninsured Children

All but three southern states (**ALABAMA, ARKANSAS** and **LOUISIANA**) have established eligibility levels broader than the federal minimum Medicaid eligibility levels for one or more age groups.

- 13 states and the District of Columbia have raised the minimum income eligibility level above the federally required income minimum of 133% of the poverty level for infants up to age one (**DELAWARE, FLORIDA, GEORGIA, KENTUCKY, MARYLAND, MISSISSIPPI, MISSOURI, NORTH CAROLINA, OKLAHOMA, SOUTH CAROLINA, TENNESSEE, TEXAS** and **WEST VIRGINIA**).

- Seven southern states have aggressively used Medicaid to cover uninsured children of all age groups (**DELAWARE, GEORGIA, KENTUCKY, MISSOURI, NORTH CAROLINA, VIRGINIA** and **WEST VIRGINIA**).

However, in 10 southern states and the District of Columbia, most children age 13 and older are only eligible for Medicaid if their income is within the more restrictive state welfare eligibility levels. These states have not raised Medicaid age limits for poverty related children above the minimum federal age requirement.

- **ALABAMA, ARKANSAS, LOUISIANA** and **TEXAS** use Medicaid eligibility levels below 20% of the poverty level for most children ages 13 through 18.

In examining the potential for utilizing Medicaid to reduce the number of uninsured children, it is necessary to recognize that not all children who are age and income eligible are covered by Medicaid. Lack of information about the availability of Medicaid coverage, eligibility barriers and other factors affect the ability of many needy families to gain Medicaid coverage for their children. The problem of children who are age and income eligible for Medicaid, but who are not covered by Medicaid, is a significant one for the southern states.

- In the South in 1993, there were 156,900 uninsured children age five and younger who were income eligible for Medicaid, but were not covered by Medicaid. In addition, it is likely that many of the 357,900 children in the age range of six through 12 were income eligible for Medicaid, but were not covered by Medicaid.

Actions States Can Take to Reduce the Number of Uninsured Children

Several actions states can take to provide health coverage for children are outlined in Chapter 5. These strategies rely heavily on Medicaid in recognition

of the substantial financial assistance it provides to southern states in covering children in families who cannot afford to purchase health insurance. A federal Medicaid waiver is not required to take the following actions to reduce the number of uninsured children:

- Raise Medicaid age and income eligibility levels.
- Eliminate the Medicaid assets test for children.
- Use outreach to enroll eligible children in Medicaid.

In addition to the above, states and communities can utilize local resources to provide health coverage to children as either an alternative to Medicaid or when children are ineligible for Medicaid.

With over four million uninsured children living in the South, reducing the number of children who are without health coverage should be a major public policy priority for southern states. Providing health coverage for children addresses several public goals, including improving access to preventive and primary care and helping families to make a successful transition from welfare to work.

CHAPTER 1
INTRODUCTION

In the area of public policy, there are few issues more compelling than the need to assure that children are not denied access to preventive and primary health care because of the inability to pay. In 1986, a breakthrough in public policy occurred when the federal law was amended to open the door for pregnant women and children to be eligible for Medicaid without having to be on welfare. Prior to that time, the major avenue to health coverage for children in poor families was through the welfare program referred to as Aid to Families With Dependent Children (AFDC).

The catalyst for the 1986 amendment to the federal Medicaid law was a report issued by the Southern Regional Task Force on Infant Mortality.[1] The amendment gave states the option of granting Medicaid coverage to pregnant women and children not on welfare. By the time the option became a federal mandate a few years later, almost all states had already acted to provide Medicaid coverage for pregnant women and infants with family incomes below the federal poverty level. Southern states were among the first to take action. Additional amendments were enacted by Congress in succeeding years to increase the age and income ranges at which children are eligible for Medicaid. (See Appendix A for details of each amendment.)

Research has shown that Medicaid coverage improves children's access to primary health care. Children who have health coverage through private means or through Medicaid have better access to health care than children without health coverage.[2]

Medicaid continues to be viewed as a primary funding mechanism for providing health coverage for poor and low income children. In order to make informed decisions about health coverage for children, states need data on uninsured children and the potential role Medicaid can play in reducing the number of children who are without coverage.

First Report

In 1992, the Southern Institute on Children and Families received support from The Henry J. Kaiser Family Foundation to determine the number of uninsured children in 17 southern states and the District of Columbia. A special focus for the study was to examine the potential for Medicaid as a financing mechanism for providing health coverage for more poor and low income children. The study was intended to assist state policy makers in developing strategies to provide health coverage for children in their state.

The Southern Institute on Children and Families released the report entitled ***Uninsured Children in the South*** in November 1992. It was the first report to provide estimates of the number of uninsured children by state with age and income breakouts related to Medicaid.

Second Report

This report of ***Uninsured Children in the South*** provides estimates of uninsured children in each southern state from two perspectives, as follows:

- Number of uninsured children in 1993 with percent of uninsured children by age and income ranges.
- Decline or increase in the number of uninsured children between 1989 and 1993.

Estimates of uninsured children are provided for the southern region and for each of the following states and the District of Columbia:

Alabama
Arkansas
Delaware
Florida
Georgia
Kentucky
Louisiana
Maryland
Mississippi
Missouri
North Carolina
Oklahoma
South Carolina
Tennessee
Texas
Virginia
West Virginia

Included in this report are fact sheets for the southern region as a whole, and for the 17 southern states and the District of Columbia. The fact sheets contain state specific eligibility levels for Medicaid children.

Chapter 5 contains a discussion of actions states can take to reduce the number of children who do not have health coverage.

Source of Estimates of Uninsured Children

The source of the estimates of uninsured children is the Current Population Survey (CPS). Uninsured means the lack of any health insurance, including Medicaid, for an entire year. The data were prepared by The Urban Institute using data specifications submitted by the Southern Institute on Children and Families for 1989 and 1993. Because of small sample sizes, some states will need to exercise caution in using estimates based on a single year of data from the CPS. The methodology and confidence intervals are provided in Appendix B for estimates of uninsured children in 1993.

CHAPTER 2
MEDICAID ELIGIBILITY IN THE SOUTHERN STATES

There are numerous categories under which children can become eligible for Medicaid. The discussion in this chapter focuses on the poverty related Medicaid category since this is the category where state policy makers have the most flexibility in determining age and income eligibility levels.

"Poverty related" does not mean that children must have income below the poverty level to be eligible. Rather, it is used to define a category of children by income ranges that are related to the poverty level and are established by federal law. These children are eligible based primarily upon family income as it relates to the poverty level, age and citizenship. In most states, there is no assets test for these poverty related groups of children.

Minimum federal Medicaid age and income eligibility levels for poverty related children are established in federal law. Table 1 sets forth the minimum federal Medicaid eligibility levels for each age group.

Table 1
Federal Minimum Medicaid Age and Income Eligibility Levels, 1996
(Expressed as a Percentage of the 1996 Federal Poverty Level)

Age	Federal Poverty Level	Annual Income (Family of Three)
Birth to Age 1	133%	$17,263
Age 1 - 5	133%	$17,263
Age 6 - 12*	100%	$12,980

* On October 1 of each year, federal law requires that the age limit advance by one year until 18 year old children are included in the year 2002.

All but three southern states (**ALABAMA, ARKANSAS** and **LOUISIANA**) have established eligibility levels broader than the federal minimum Medicaid eligibility levels for one or more age groups. The following summary indicates the extent to which southern states have taken the initiative to utilize Medicaid to provide health coverage for more children in poor and low income families:

- 13 states and the District of Columbia have raised the minimum income eligibility level above the federally required *income* minimum of 133% for infants up to age one (**DELAWARE, FLORIDA, GEORGIA, KENTUCKY, MARYLAND, MISSISSIPPI, MISSOURI, NORTH CAROLINA, OKLAHOMA, SOUTH CAROLINA, TENNESSEE, TEXAS** and **WEST VIRGINIA**).

- One state has exceeded the federally required *income* minimum of 133% for children ages one through five for primary care benefits only (**MARYLAND**).

- One state has exceeded the federally required *income* minimum of 100% for children ages six through 12 for primary care benefits only (**MARYLAND**).

- Seven states have exceeded the federally required *age* minimum of 12 years for children with family income below the poverty level (**DELAWARE, GEORGIA, KENTUCKY, MISSOURI, NORTH CAROLINA, VIRGINIA** and **WEST VIRGINIA**).

A federal Medicaid waiver is not required to raise age and/or income eligibility levels in order to provide Medicaid coverage for more children. Section 1902(r)(2) of the federal Medicaid law gives states the authority to raise age and income levels beyond federal minimum levels. An amendment to the State Medicaid Plan is needed to raise eligibility levels.

Table 2 on the next page provides the Medicaid eligibility levels in effect in July 1996 in each of the southern states. The federal minimum eligibility levels are provided for comparison. The shaded areas indicate where states have exceeded federal minimum age and income eligibility levels.

Table 2
Medicaid Eligibility Levels for Children in the South, July 1996
(Displayed as a Percentage of the 1996 Federal Poverty Level)

Area	Birth-Age 1	Ages 1-5	Ages 6-12	Ages 13-18
Federal Minimum	**133%**	**133%**	**100%**	**None**
Alabama	133%	133%	100%	15.2%
Arkansas	133%	133%	100%	18.9%
Delaware	185%	133%	100%	100%
District of Columbia	185%	133%	100%	38%
Florida	185%	133%	100%	28%
Georgia	185%	133%	100%	100%
Kentucky	185%	133%	100%	100%
Louisiana	133%	133%	100%	17.6%
Maryland	185%	133%*	100%*	34.5%
Mississippi	185%	133%	100%	34%
Missouri	185%	133%	100%	100%
North Carolina	185%	133%	100%	100%
Oklahoma	150%	133%	100%	43.5%
South Carolina	185%	133%	100%	48.4%
Tennessee	185%	133%	100%	53.9%
Texas	185%	133%	100%	17%
Virginia	133%	133%	100%	100%
West Virginia	150%	133%	100%	100%

* Maryland has a Medicaid waiver to provide primary care benefits only to children in these age groups with incomes in excess of these percentages, but no higher than 185%.
Notes: (1) The shaded areas indicate income levels or ages higher than the federal minimum.
(2) For ages 13-18, percentages below 100% of the federal poverty level are state AFDC eligibility levels.
Source: Southern Institute on Children and Families.

CHAPTER 3
UNINSURED CHILDREN IN THE SOUTHERN STATES

Out of the 9.4 million uninsured children in the United States in 1993, a total of 4.1 million resided in the South. Chart 1 shows that 43% of the nation's uninsured children resided in the southern states.

Chart 1

DISTRIBUTION OF UNINSURED CHILDREN IN THE UNITED STATES, 1993

SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1994 CPS)

The percentage of uninsured children in the South is disproportionately high since only 36% of all children lived in the 17 southern states and the District of Columbia.

Uninsured Children as a Percentage of the State Population Age 18 and Younger

Table 3 ranks the southern states by the percentage of each state's population age 18 and younger who were uninsured in 1993. Uninsured children as a percentage of a state's population ranged from a high of 25% in **LOUISIANA** to a low of 10% in **MISSOURI** and **NORTH CAROLINA**. More than one million (25%) of all uninsured children in the South lived in **TEXAS**.

Table 3 Ranking by Percentage of State Population Age 18 and Younger Who Were Uninsured, 1993		
Area	**Percentage of All Children**	**Number of Uninsured Children**
Louisiana	25%	334,800
Oklahoma	23%	243,000
Arkansas	20%	134,800
Texas	19%	1,032,900
Mississippi	16%	129,200
Alabama	15%	168,600
Florida	15%	565,500
South Carolina	15%	154,700
Georgia	14%	272,700
District of Columbia	13%	19,300
West Virginia	13%	59,800
Delaware	12%	23,300
Kentucky	12%	124,800
Virginia	12%	214,400
Maryland	11%	127,100
Tennessee	11%	146,600
Missouri	10%	146,900
North Carolina	10%	172,800
SOUTHERN STATES	15%	4,071,400
UNITED STATES	13%	9,394,800
Source: Southern Institute on Children and Families (1994 CPS).		

Uninsured Children By Age and Income Levels

In the South, as in the United States, the proportion of uninsured children increased as age ranges increased as shown in Table 4. This pattern held true in 13 states. A possible explanation for this is that children age five and younger

are eligible for Medicaid at higher income levels. In 10 southern states and the District of Columbia, most children age 13 and older are only eligible for Medicaid if their income is within the more restrictive state welfare eligibility levels. These states have not raised Medicaid age limits for poverty related children above the minimum federal age requirement.

Table 4
Distribution of Uninsured Children by Age, 1993

Area	Birth-Age 5	Age 6-12	Age 13-18	Total
Alabama	12%	37%	51%	100%
Arkansas	29%	38%	33%	100%
Delaware	28%	28%	44%	100%
District of Columbia	26%	50%	24%	100%
Florida	20%	44%	36%	100%
Georgia	16%	35%	49%	100%
Kentucky	24%	33%	43%	100%
Louisiana	16%	41%	43%	100%
Maryland	24%	34%	42%	100%
Mississippi	4%	29%	67%	100%
Missouri	23%	36%	41%	100%
North Carolina	22%	34%	44%	100%
Oklahoma	28%	41%	30%	100%
South Carolina	24%	31%	45%	100%
Tennessee	7%	36%	57%	100%
Texas	20%	37%	43%	100%
Virginia	24%	36%	40%	100%
West Virginia	8%	25%	67%	100%
SOUTHERN STATES	20%	37%	43%	100%
UNITED STATES	24%	37%	39%	100%

Source: Southern Institute on Children and Families (1994 CPS).

Table 5 shows the distribution of uninsured children by family income. In 12 states, less than one third of uninsured children lived in families with income at or below the poverty level. This is likely due to the availability of Medicaid coverage for children below poverty. High percentages of uninsured children under poverty suggest the possibility that families lack information or have problems in accessing and completing the Medicaid eligibility process.

Table 5
Distribution of Uninsured Children by Family Income as Related to the 1993 Federal Poverty Level

Area	Less Than or Equal to 100%	101%-200%	Greater Than or Equal to 201%
Alabama	38%	29%	33%
Arkansas	28%	46%	25%
Delaware	8%	53%	38%
District of Columbia	47%	38%	14%
Florida	25%	37%	38%
Georgia	18%	32%	50%
Kentucky	34%	19%	47%
Louisiana	53%	26%	21%
Maryland	10%	39%	51%
Mississippi	28%	37%	34%
Missouri	21%	45%	34%
North Carolina	14%	33%	54%
Oklahoma	34%	43%	23%
South Carolina	35%	30%	35%
Tennessee	20%	34%	47%
Texas	29%	43%	28%
Virginia	8%	49%	43%
West Virginia	28%	26%	46%
SOUTHERN STATES	28%	37%	35%
UNITED STATES	25%	35%	40%

Source: Southern Institute on Children and Families (1994 CPS).

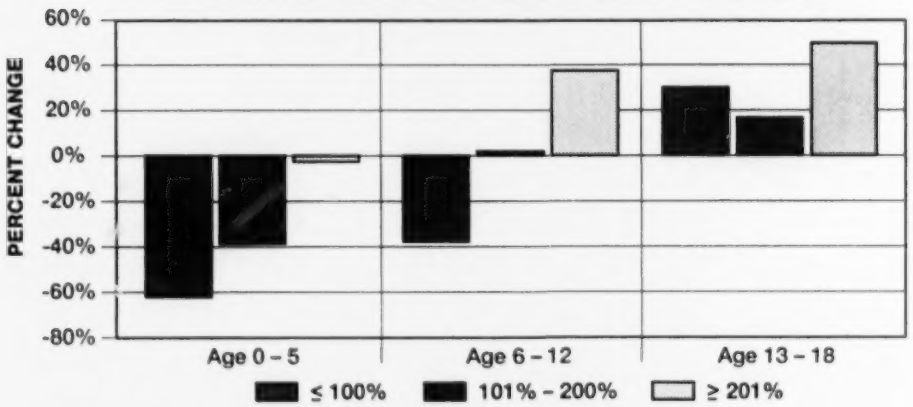
Change in Number of Uninsured Children From 1989 to 1993

Chart 2 shows that between 1989 and 1993, the number of uninsured children age 12 and younger with income below 200% of poverty declined dramatically. The decline in the number of uninsured children occurred in the income ranges where Medicaid is available to more children.

The most dramatic decrease in uninsured children occurred with children age 12 and younger with income below the poverty level. During the period 1986 to 1993, amendments to the federal Medicaid law required states to provide Medicaid coverage to children age five and younger with family income below 133% of the federal poverty level and to children age nine and younger with family income below the federal poverty level. In contrast to the decline of uninsured children below poverty, the number of uninsured children above poverty has increased.

Chart 2

PERCENTAGE CHANGE IN UNINSURED CHILDREN IN THE SOUTHERN STATES BETWEEN 1989 AND 1993



SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

Table 6 shows the percentage change in uninsured children between 1989 and 1993 by age for each state. In the birth to age five group, the southern states had a much greater decline in the percentage of uninsured children than the nation. Uninsured children in the youngest age group decreased by 37% in the South as compared to 13% for the nation. The South as a region experienced this dramatic decline even though the number of uninsured children from birth

through age five increased in **ARKANSAS, KENTUCKY, OKLAHOMA** and the **DISTRICT OF COLUMBIA**. In these states, increases in the age five and younger group ranged from 26% to 65%. In most states, the largest increases in uninsured children occurred with children over age 12.

Table 6
Percentage Change in Uninsured Children
Between 1989 and 1993 by Age

Area	Birth-Age 5	Age 6-12	Age 13-18	Total
Alabama	-66%	-15%	10%	-19%
Arkansas	44%	-14%	3%	4%
Delaware	-18%	-26%	-5%	-16%
District of Columbia	65%	101%	8%	59%
Florida	-44%	33%	2%	-4%
Georgia	-31%	-1%	52%	10%
Kentucky	35%	10%	81%	40%
Louisiana	-12%	72%	118%	61%
Maryland	-5%	9%	24%	10%
Mississippi	-78%	-13%	109%	21%
Missouri	-47%	-41%	33%	-26%
North Carolina	-41%	-30%	5%	-22%
Oklahoma	26%	56%	61%	48%
South Carolina	-19%	-31%	49%	-5%
Tennessee	-71%	-8%	11%	-13%
Texas	-49%	-23%	30%	-17%
Virginia	-43%	5%	-2%	-15%
West Virginia	-41%	13%	115%	49%
SOUTHERN STATES	-37%	-4%	31%	-3%
UNITED STATES	-13%	10%	28%	9%

Source: Southern Institute on Children and Families (1990 and 1994 CPS).

Age and income ranges which have the lowest percentages of uninsured children coincide with the Medicaid age and income eligibility ranges. The General Accounting Office cited the importance of Medicaid for low income children, as follows:

> Medicaid has become an increasingly important source of health insurance for low-income children as employment-based insurance has declined for both children and adults. Between 1989 and 1993, the number of children covered by Medicaid increased 54 percent—from 13.6 percent of U.S. children in 1989 (8.9 million children) to 19.9 percent in 1993 (13.7 million children). This could have led to a major decrease in the percentage of children uninsured. It did not, however, because the decrease in children covered by employment-based insurance offset the increase in U.S. children insured through Medicaid.[3]

Uninsured Children Within Medicaid Age and Income Eligibility Levels Who Are Not Covered by Medicaid

In examining the potential for utilizing Medicaid to reduce the number of uninsured children, it is necessary to recognize that not all children who are age and income eligible are covered by Medicaid. Lack of information about the availability of Medicaid coverage, eligibility barriers and other factors affect the ability of many needy families to gain Medicaid coverage for their children.

Table 7 shows that in 1993 in the southern states, there were 1,129,700 uninsured children with family income at or below the federal poverty level. In 1993, the federal law required states to provide Medicaid coverage to children age five and younger with income at or below 133% of the federal poverty level. Thus, the 156,900 children age five and younger shown on Table 7 as having income below the federal poverty level were actually income eligible for Medicaid, but were not covered by Medicaid. Since this number does not include uninsured children with income between 100% and 133% of the federal poverty level, it is most likely an undercount of children age five and younger who were income eligible for Medicaid, but were not covered by Medicaid.

In 1993, federal law also required states to provide Medicaid coverage to children ages six through nine[4] with family income at or below the federal poverty level. Thus, it is highly likely that many of the 357,900 children in the age range of six through 12 shown in Table 7 were income eligible for Medicaid, but were not covered by Medicaid.

Table 7 Uninsured Children with Income At or Below the Federal Poverty Level, 1993				
Area	**Birth-Age 5**	**Age 6-12**	**Age 13-18**	**Total**
Southern States	156,900	357,900	614,900	1,129,700
United States	482,200	753,900	1,101,100	2,337,200
Source: Southern Institute on Children and Families (1994 CPS).				

Table 8 shows the percentage of uninsured children with family income at or below the federal poverty level in 1993. In **ALABAMA, ARKANSAS, LOUISIANA** and **OKLAHOMA,** 30% or more of uninsured children age five and younger were income eligible, but were not covered by Medicaid.

Table 8 Percentage of Uninsured Children At or Below the Federal Poverty Level by Age 1993				
Area	**Birth-Age 5**	**Age 6-12**	**Age 13-18**	**Total**
Alabama	30%	38%	40%	38%
Arkansas	31%	30%	25%	28%
Delaware	8%	9%	8%	8%
District of Columbia	22%	46%	78%	47%
Florida	16%	17%	40%	25%
Georgia	0%	13%	27%	18%
Kentucky	29%	25%	44%	34%
Louisiana	43%	59%	51%	53%
Maryland	0%	0%	25%	10%
Mississippi	0%	20%	34%	28%
Missouri	18%	4%	38%	21%
North Carolina	7%	9%	21%	14%
Oklahoma	34%	29%	42%	34%
South Carolina	29%	32%	41%	35%
Tennessee	0%	18%	24%	20%
Texas	20%	25%	37%	29%
Virginia	4%	4%	14%	8%
West Virginia	0%	13%	37%	28%
SOUTHERN STATES	20%	24%	35%	28%
UNITED STATES	21%	22%	30%	25%
Source: Southern Institute on Children and Families (1994 CPS).				

CHAPTER 4
STATE FACT SHEETS

This chapter provides fact sheets on the southern region as a whole, and 17 southern states and the District of Columbia. Information in the fact sheets includes the following:

- Total number of uninsured children in 1993.
- Number of uninsured children by age range in 1993.
- Percentage of uninsured children with income under the federal poverty level in 1993.
- Percentage change in uninsured children between 1989 and 1993 by age range and income levels.

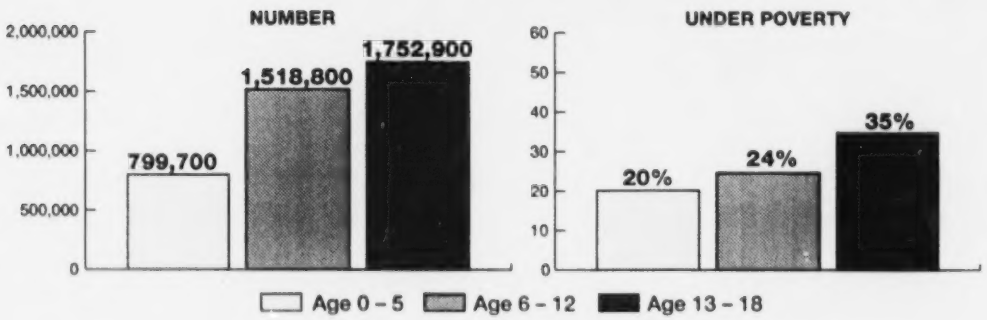
Additionally, the fact sheets contain Medicaid age and income eligibility levels in effect in each state and the District of Columbia as of July 1996.

SOUTHERN STATES

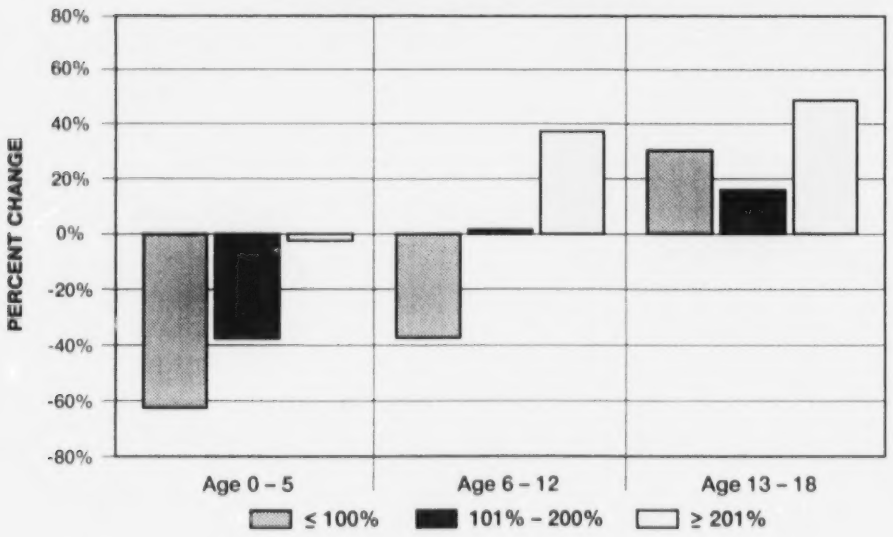
UNINSURED CHILDREN
4,071,400

UNINSURED CHILDREN, 1993

4,071,400 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



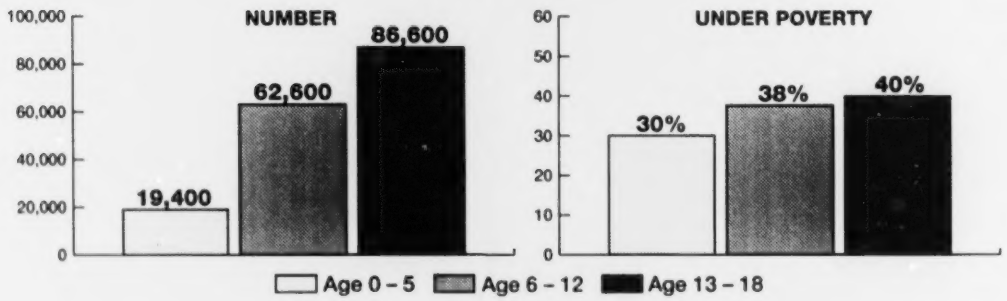
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

ALABAMA

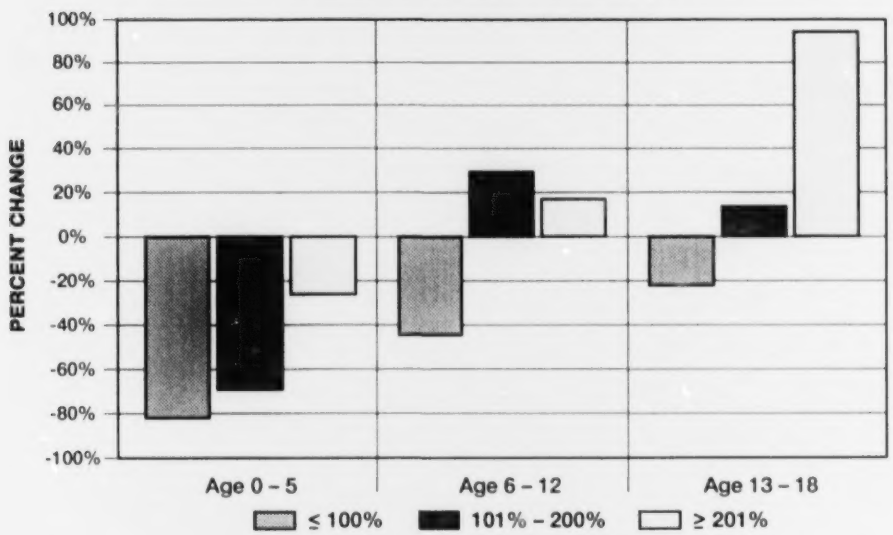
UNINSURED CHILDREN 168,600

UNINSURED CHILDREN, 1993

168,600 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



ALABAMA MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$17,268	133%
Age 1-5	$17,268	133%
Age 6-12	$12,984	100%
Age 13-18	$ 1,968	15.2%

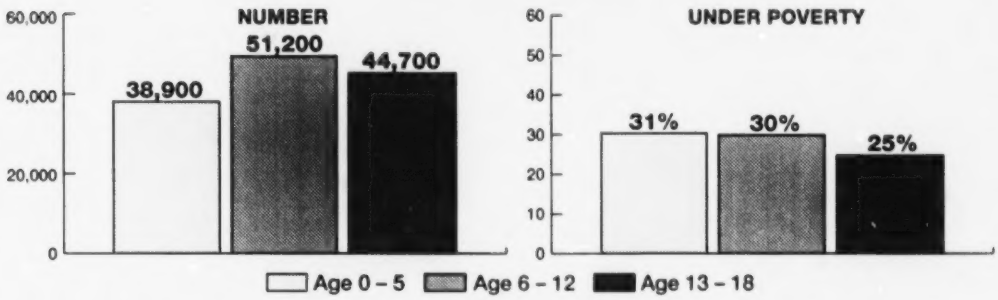
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

ARKANSAS

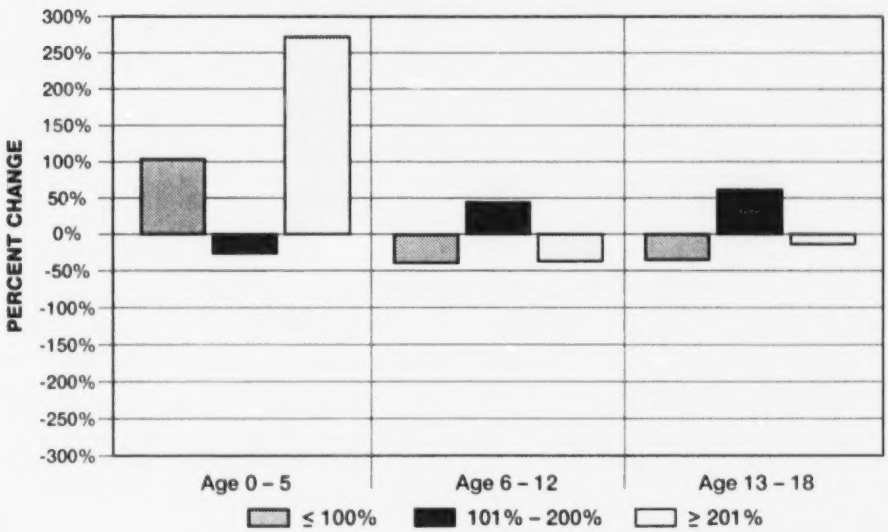
UNINSURED CHILDREN 134,800

UNINSURED CHILDREN, 1993

134,800 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



ARKANSAS MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$17,263	133%
Age 1-5	$17,263	133%
Age 6-12	$12,980	100%
Age 13-18	$ 2,448	18.9%

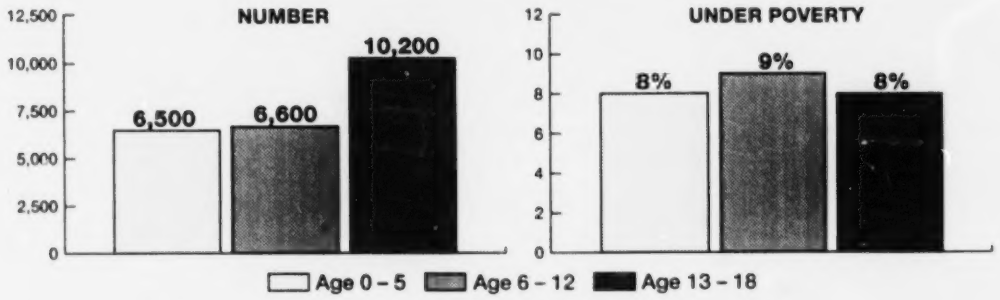
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

DELAWARE

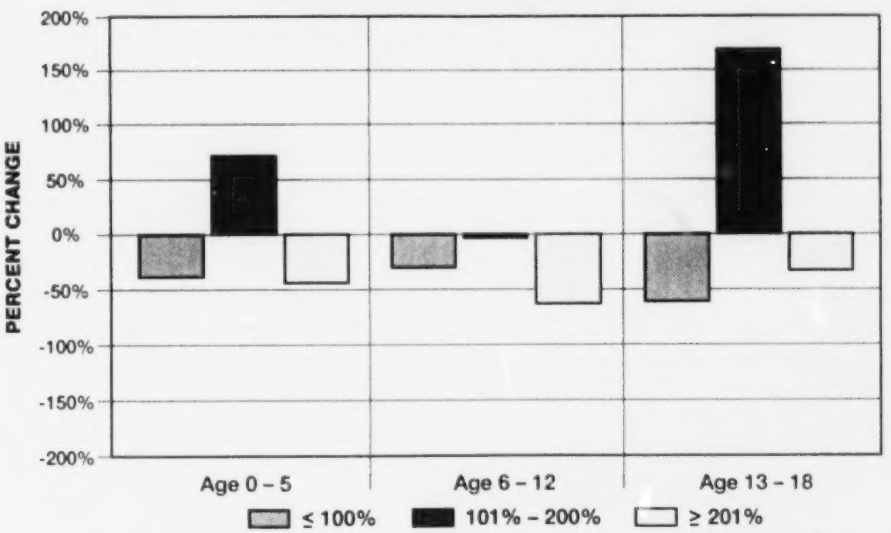
UNINSURED CHILDREN 23,300

UNINSURED CHILDREN, 1993

23,300 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



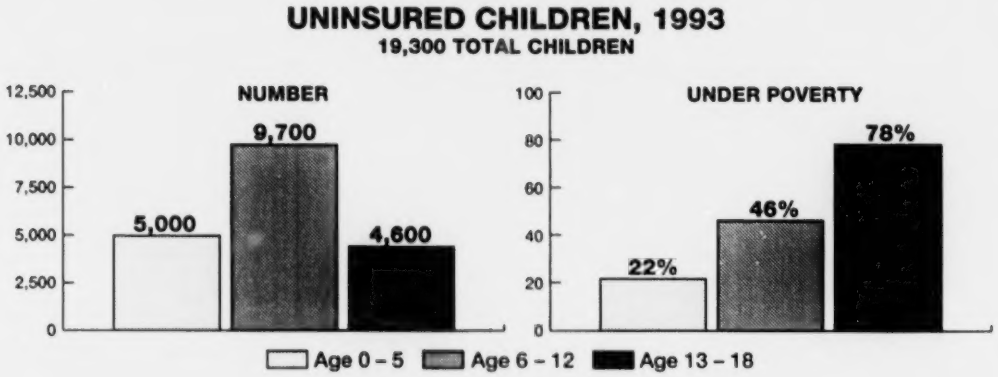
DELAWARE MEDICAID ELIGIBILITY LEVELS

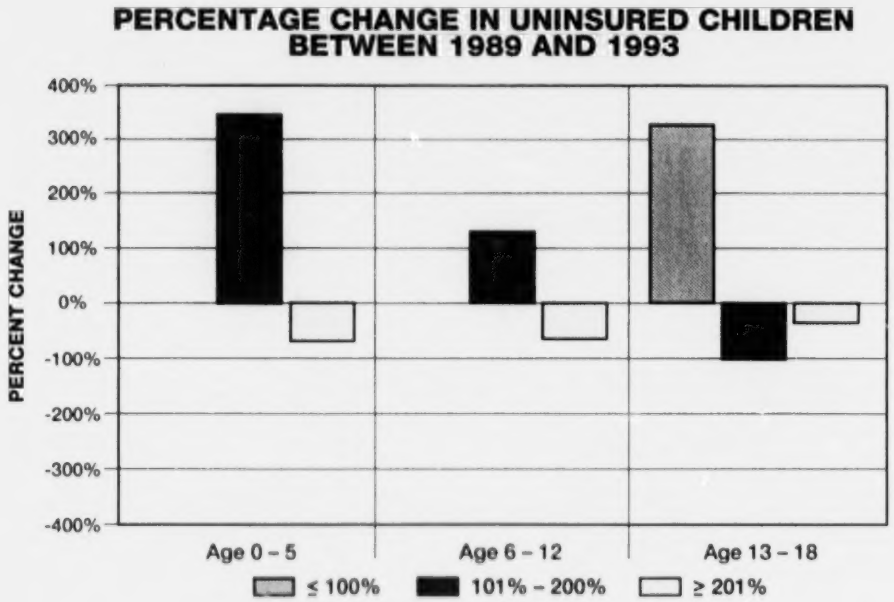
ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-18	$12,980	100%

SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

DISTRICT OF COLUMBIA





DISTRICT OF COLUMBIA
MEDICAID ELIGIBILITY LEVELS
ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-12	$12,980	100%
Age 13-18	$ 4,980	38.0%

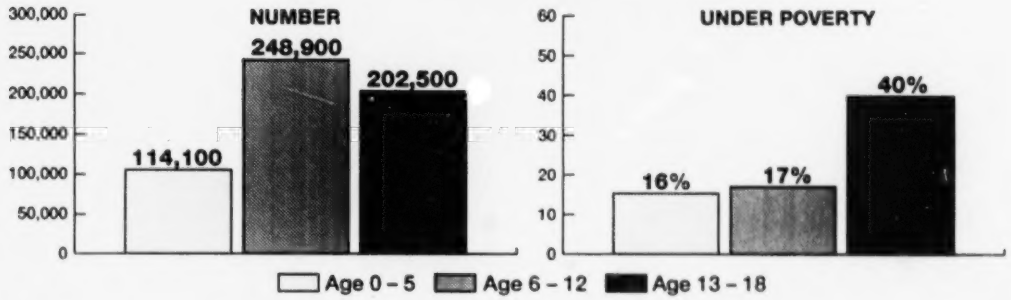
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

FLORIDA

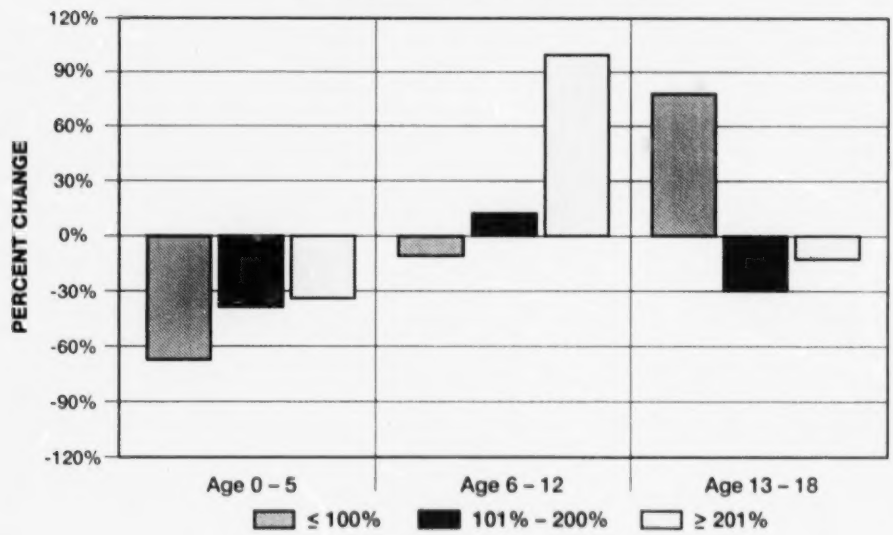
UNINSURED CHILDREN 565,500

UNINSURED CHILDREN, 1993

565,500 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



FLORIDA MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-12	$12,980	100%
Age 13-18	$ 3,636	28.0%

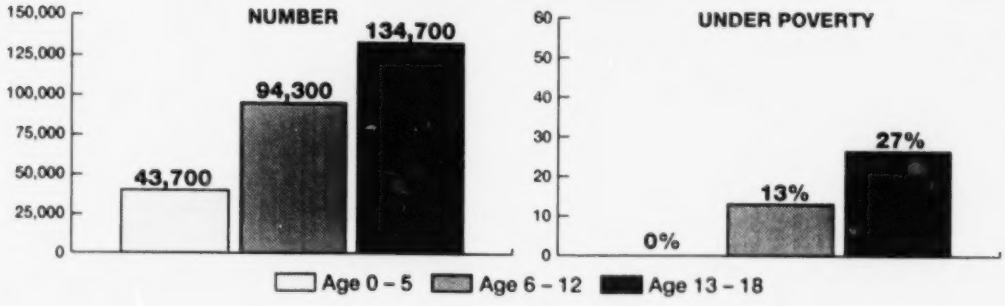
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

GEORGIA

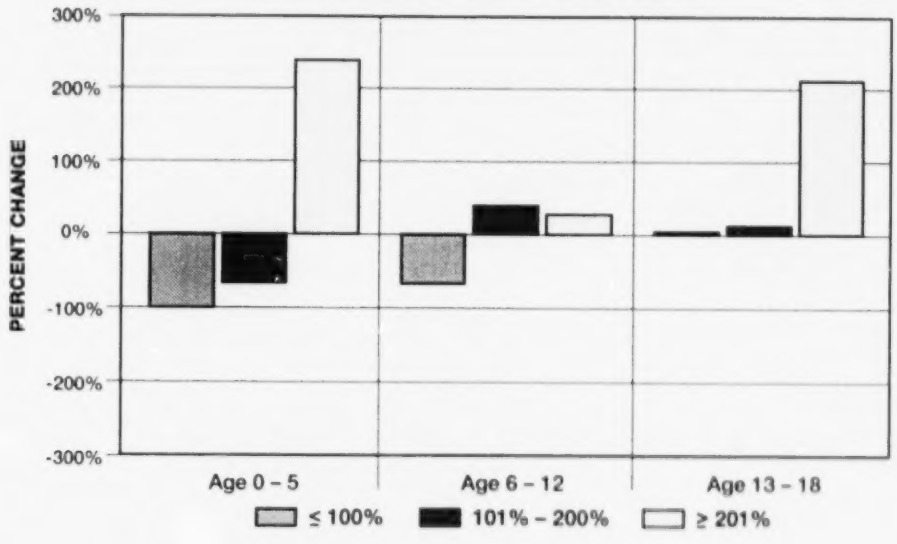
UNINSURED CHILDREN 272,700

UNINSURED CHILDREN, 1993

272,700 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



GEORGIA MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

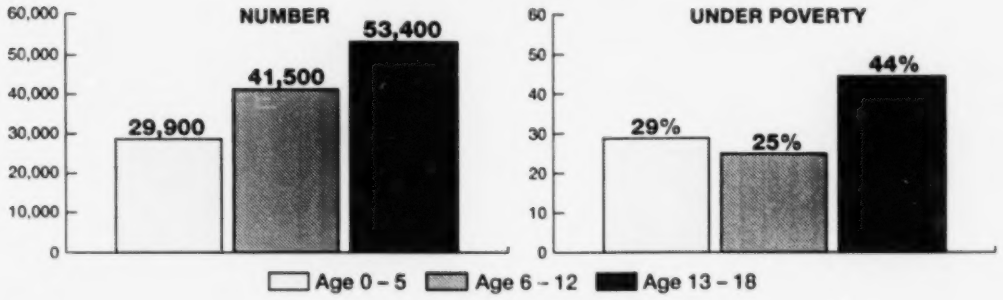
Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-18	$12,980	100%

SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

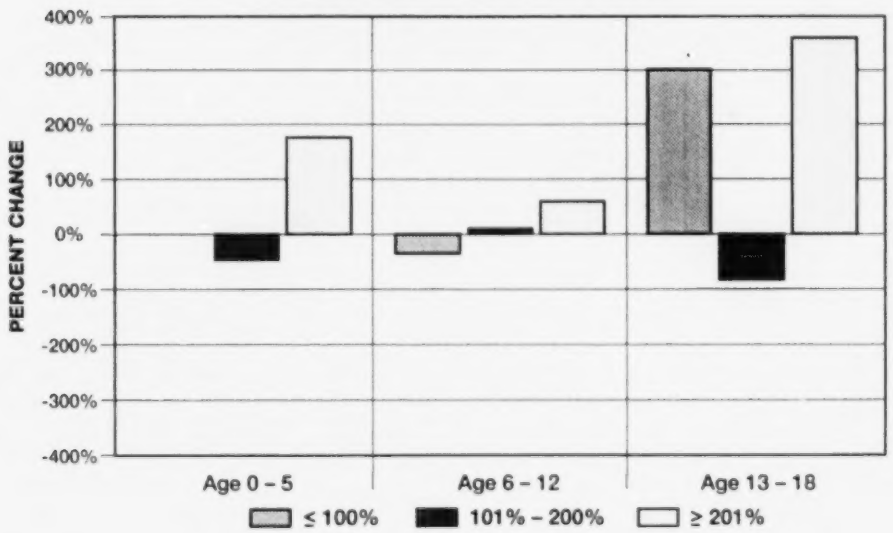
KENTUCKY

UNINSURED CHILDREN 124,800

UNINSURED CHILDREN, 1993
124,800 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



KENTUCKY MEDICAID ELIGIBILITY LEVELS
ANNUAL INCOME FAMILY OF THREE (1996)

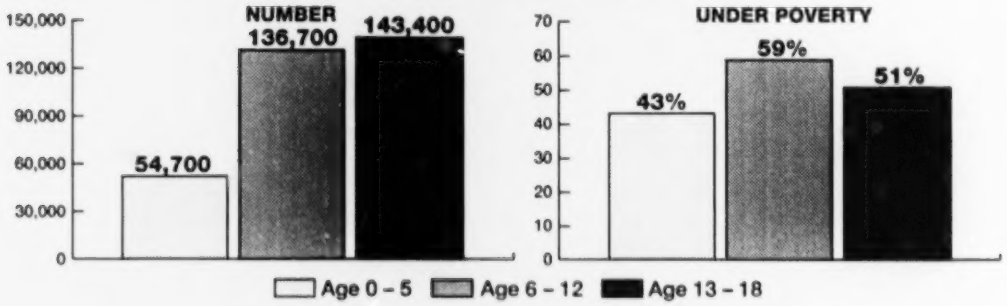
Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-18	$12,980	100%

SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

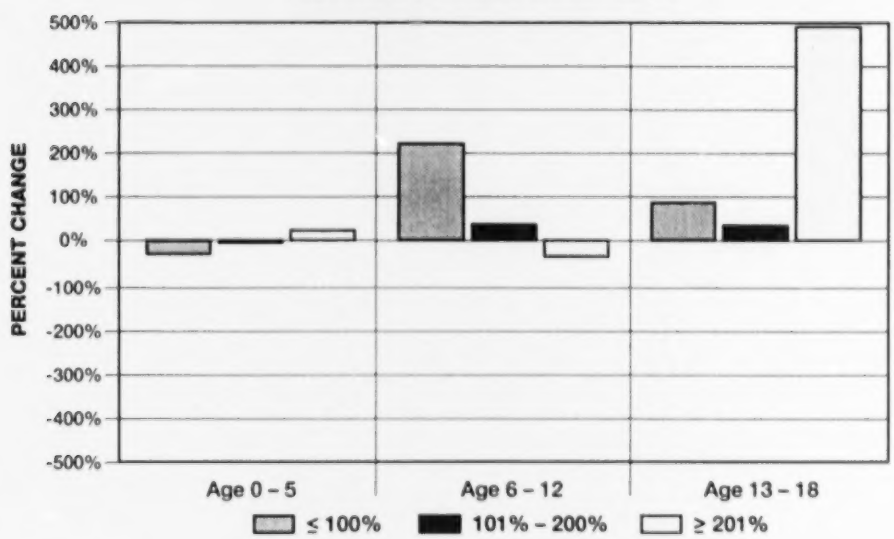
LOUISIANA

UNINSURED CHILDREN
334,800

UNINSURED CHILDREN, 1993
334,800 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



LOUISIANA MEDICAID ELIGIBILITY LEVELS
ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$17,263	133%
Age 1-5	$17,263	133%
Age 6-12	$12,980	100%
Age 13-18	$ 2,280	17.6%

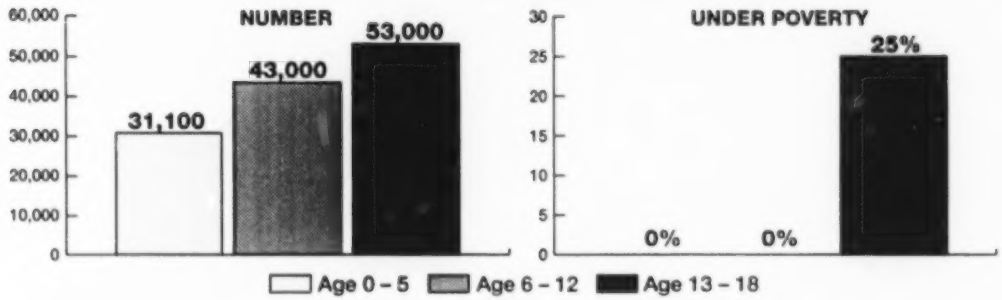
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

MARYLAND

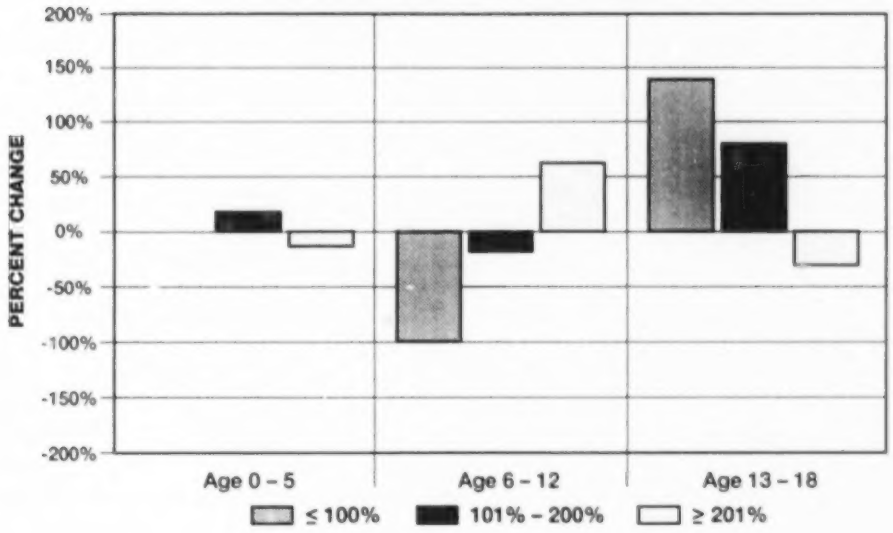
UNINSURED CHILDREN 127,100

UNINSURED CHILDREN, 1993

127,100 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



MARYLAND MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-12	$12,980	100%
Age 13-18	$ 4,476	34.5%

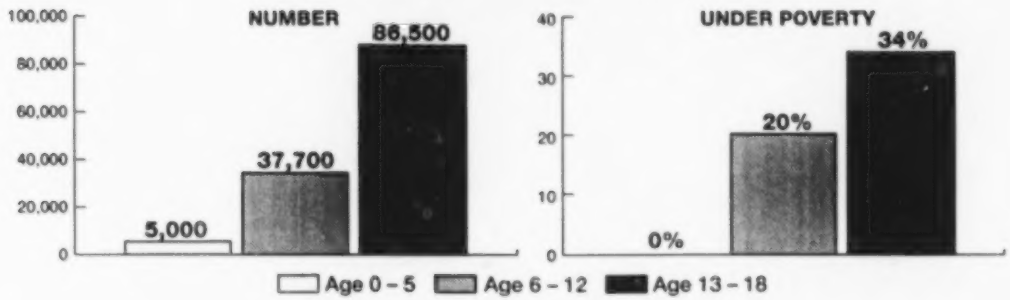
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

MISSISSIPPI

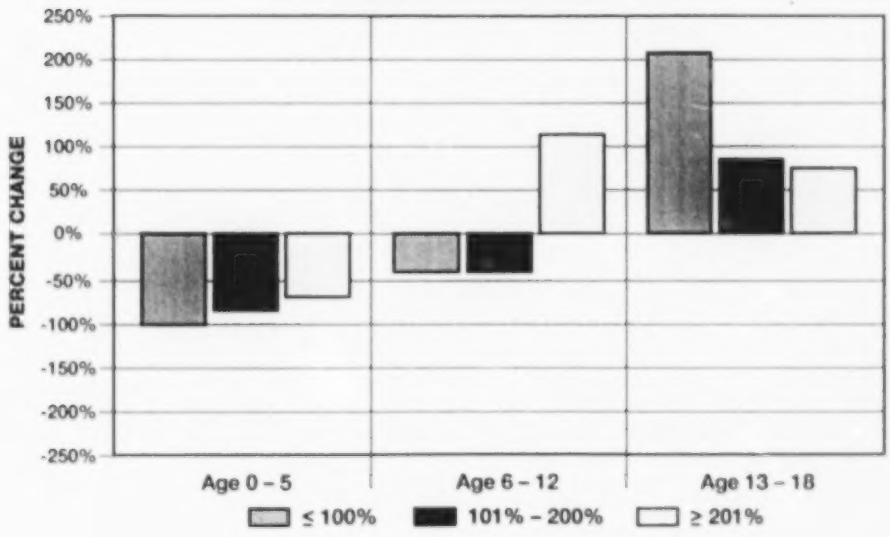
UNINSURED CHILDREN 129,200

UNINSURED CHILDREN, 1993

129,200 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



MISSISSIPPI MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-12	$12,980	100%
Age 13-18	$ 4,416	34.0%

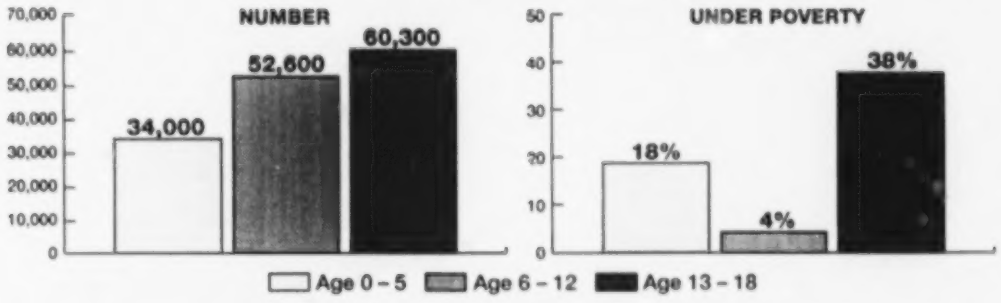
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

MISSOURI

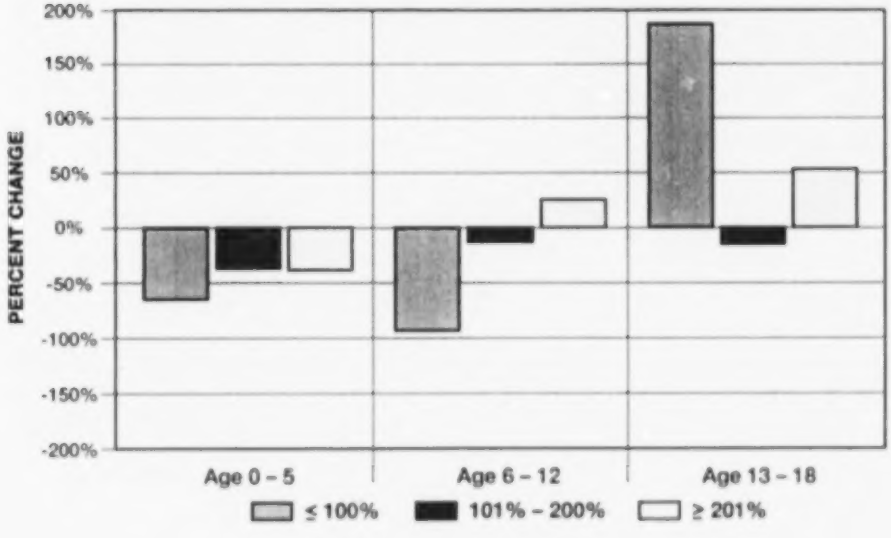
UNINSURED CHILDREN 146,900

UNINSURED CHILDREN, 1993

146,900 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



MISSOURI MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-18	$12,980	100%

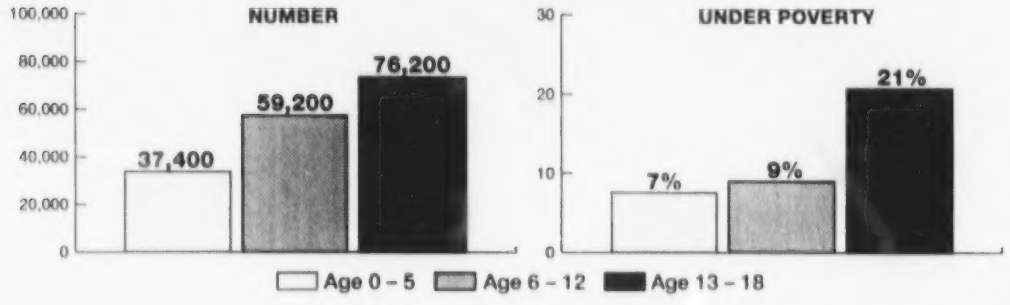
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

NORTH CAROLINA

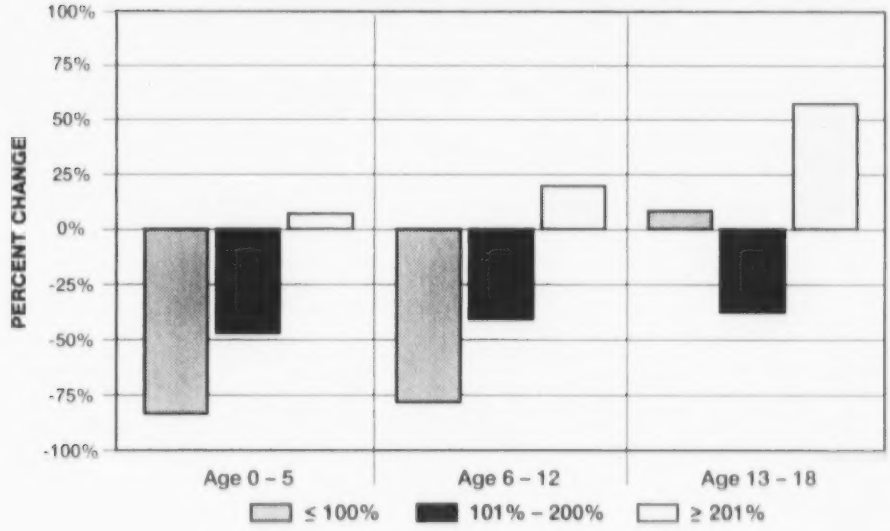
UNINSURED CHILDREN 172,800

UNINSURED CHILDREN, 1993

172,800 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



NORTH CAROLINA MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-18	$12,980	100%

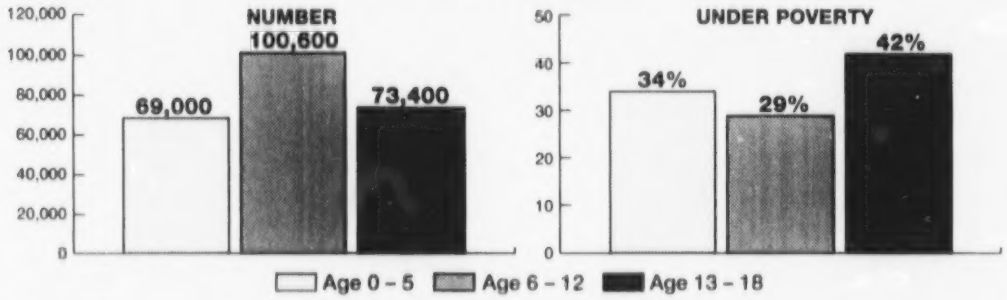
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

OKLAHOMA

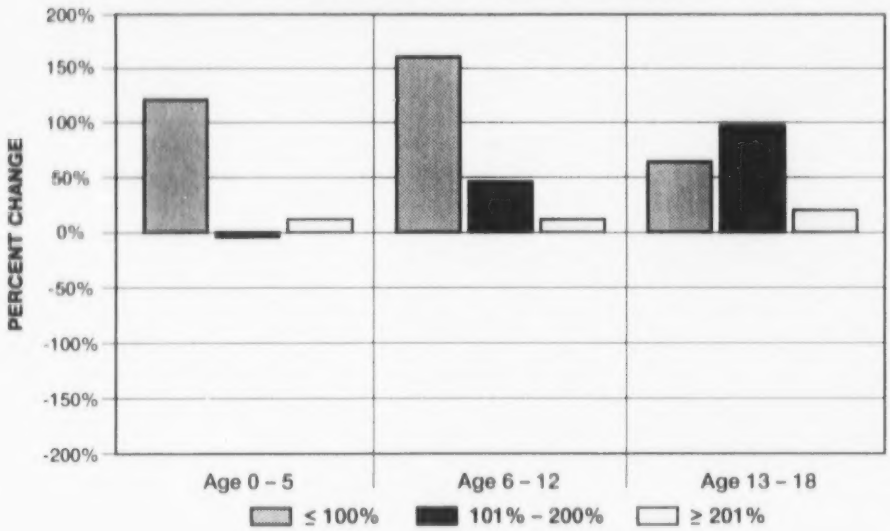
UNINSURED CHILDREN 243,000

UNINSURED CHILDREN, 1993

243,000 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



OKLAHOMA MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$19,470	150%
Age 1-5	$17,263	133%
Age 6-12	$12,980	100%
Age 13-18	$ 5,652	43.5%

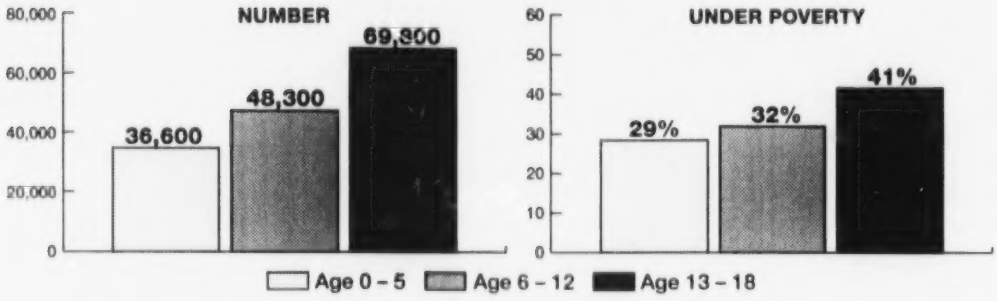
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

SOUTH CAROLINA

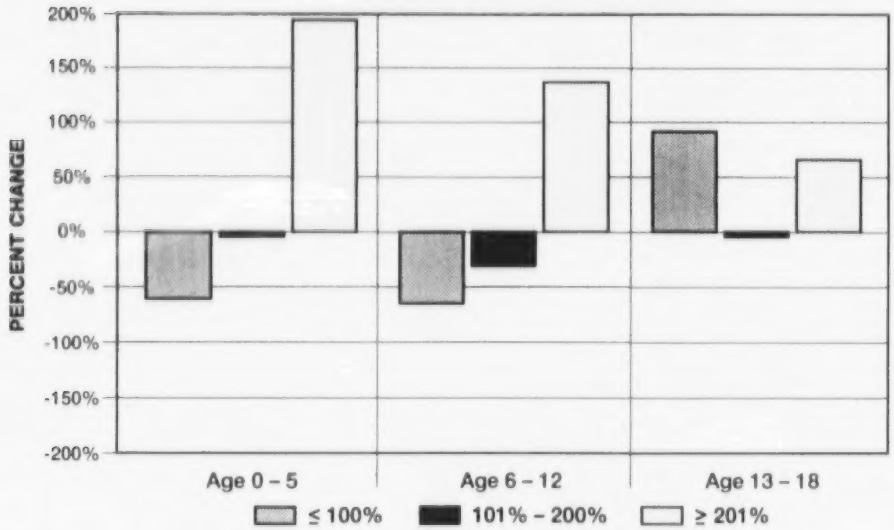
UNINSURED CHILDREN 154,700

UNINSURED CHILDREN, 1993

154,700 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



SOUTH CAROLINA MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-12	$12,980	100%
Age 13-18	$ 6,288	48.4%

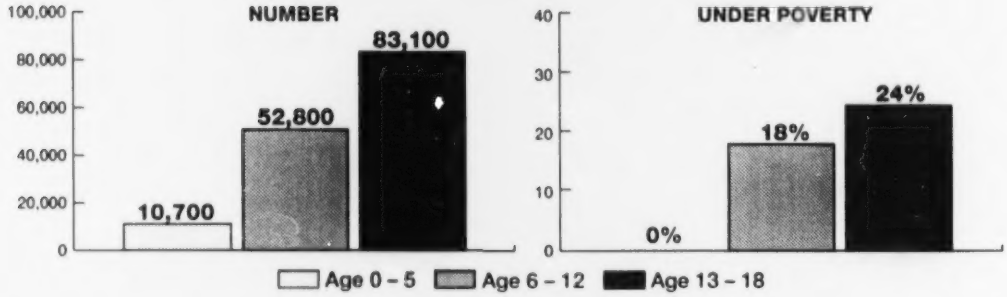
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

TENNESSEE

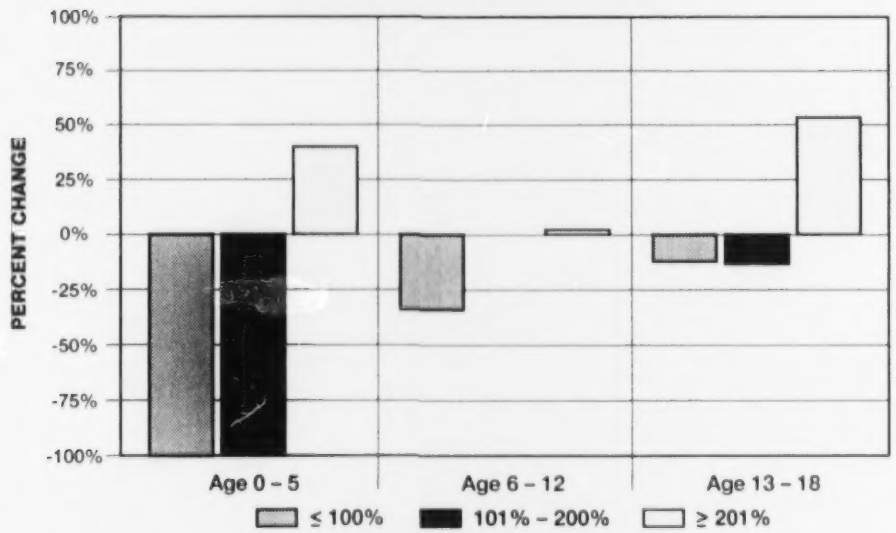
UNINSURED CHILDREN
146,600

UNINSURED CHILDREN, 1993

146,600 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



TENNESSEE MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-12	$12,980	100%
Age 13-18	$ 6,996	53.9%

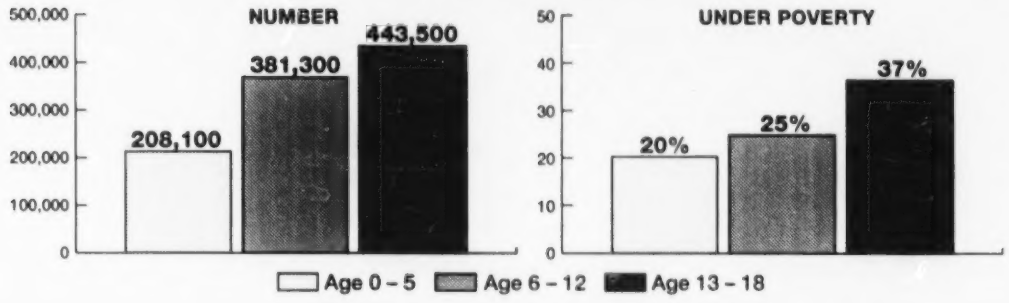
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

TEXAS

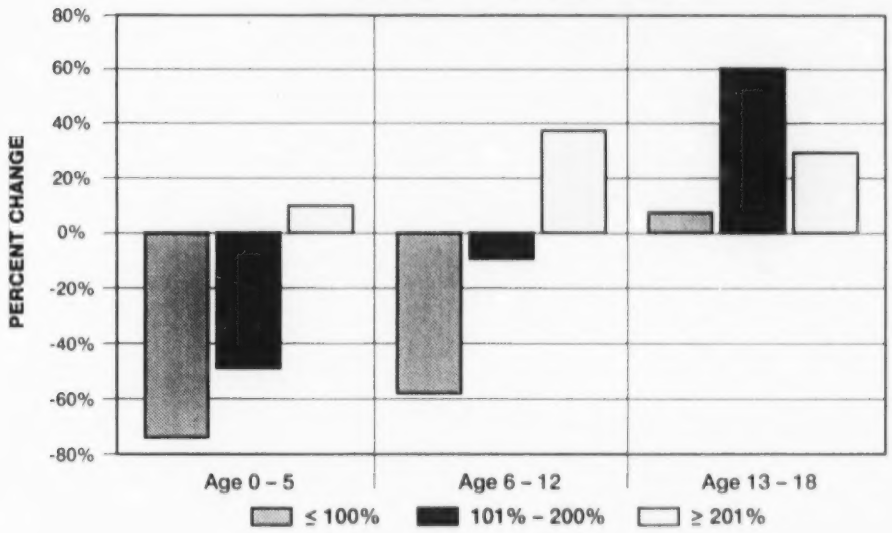
UNINSURED CHILDREN 1,032,900

UNINSURED CHILDREN, 1993

1,032,900 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



TEXAS MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$24,013	185%
Age 1-5	$17,263	133%
Age 6-12	$12,980	100%
Age 13-18	$ 2,207	17.0%

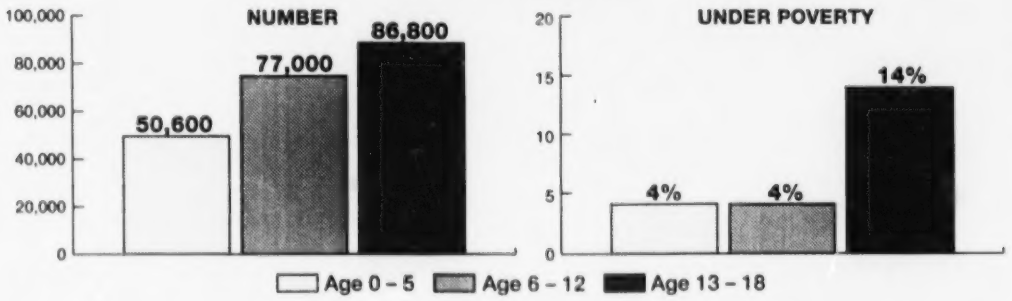
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

VIRGINIA

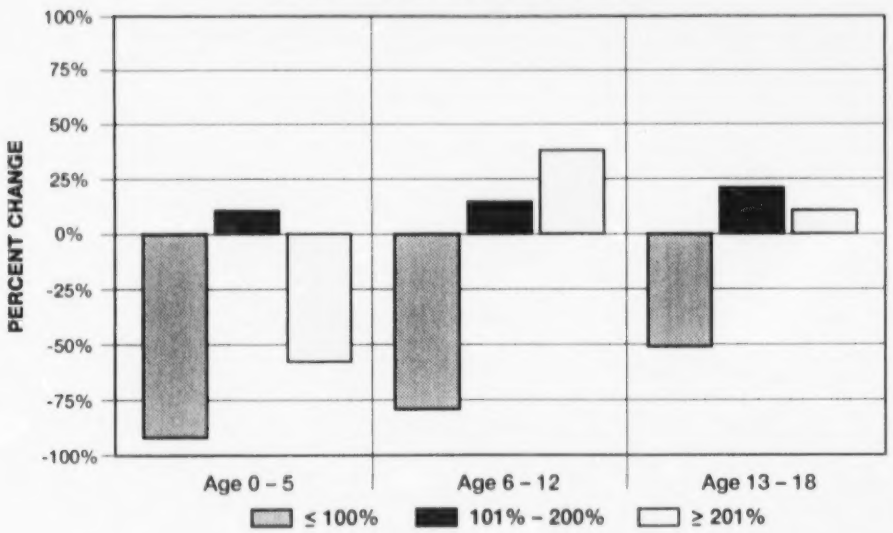
UNINSURED CHILDREN 214,400

UNINSURED CHILDREN, 1993

214,400 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



VIRGINIA MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$17,263	133%
Age 1-5	$17,263	133%
Age 6-18	$12,980	100%

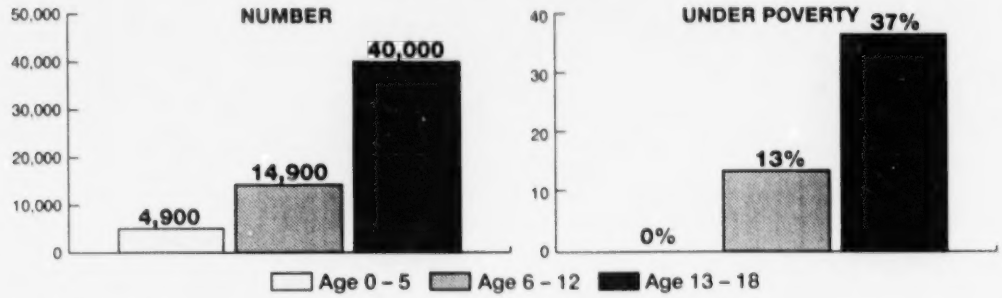
SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

WEST VIRGINIA

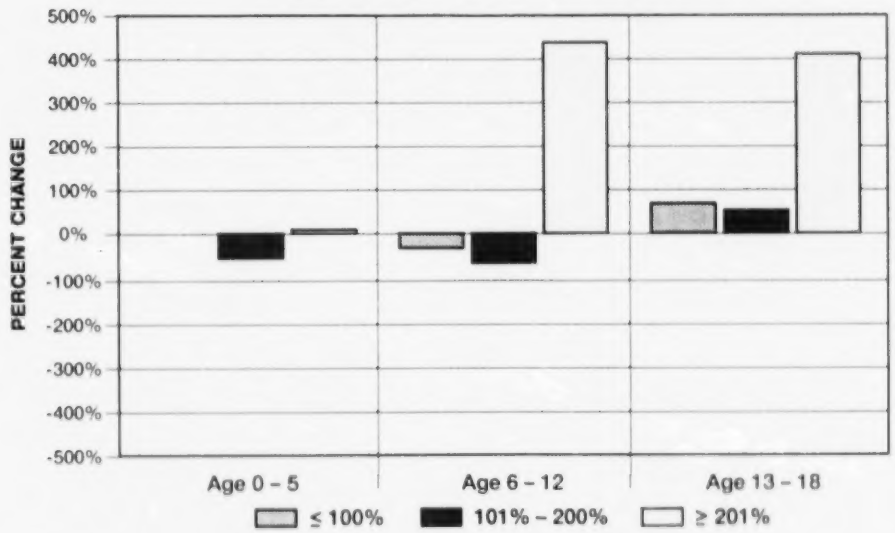
UNINSURED CHILDREN 59,800

UNINSURED CHILDREN, 1993

59,800 TOTAL CHILDREN



PERCENTAGE CHANGE IN UNINSURED CHILDREN BETWEEN 1989 AND 1993



WEST VIRGINIA MEDICAID ELIGIBILITY LEVELS

ANNUAL INCOME FAMILY OF THREE (1996)

Age	Income	Percent of Poverty
Birth to 1	$19,470	150%
Age 1-5	$17,263	133%
Age 6-18	$12,980	100%

SOURCE: THE SOUTHERN INSTITUTE ON CHILDREN AND FAMILIES (1990 and 1994 CPS)

CHAPTER 5
ACTIONS STATES CAN TAKE TO REDUCE THE NUMBER OF UNINSURED CHILDREN

It is highly likely that the declines in uninsured children, particularly children below poverty, are attributable to increases in Medicaid eligibility levels. During the period 1989 to 1993 in the United States, the number of children with Medicaid coverage increased by 4.8 million.[5] For most poor and low income families, Medicaid is the only available source of health insurance for children.

The discussion below sets forth actions states can take to reduce the number of children in the South who do not have health coverage. These strategies rely heavily on Medicaid in recognition of the substantial financial assistance it provides to southern states in covering children in families who cannot afford to purchase health insurance. The actions do not require a federal Medicaid waiver.

Children are not an expensive group to cover under Medicaid. A report of the Kaiser Commission on the Future of Medicaid cites the following costs in 1993:

> Adults and children account for nearly three-quarters of Medicaid beneficiaries, but only about one quarter of Medicaid spending. ...Spending for low-income children who mostly use acute care services, averaged about $1,200 per child.[6]

Raise Medicaid Age and/or Income Eligibility Levels

A federal Medicaid waiver is not required to raise age and/or income eligibility levels in order to provide Medicaid coverage for more children. An amendment to the State Medicaid Plan is needed to raise eligibility levels.

As shown in the previous chapters, older children in the South are much more likely to be uninsured than are children age five and younger. The change between 1989 and 1993 shows dramatic increases in uninsured children ages 13 through 18, even for those children below poverty.

As shown in Table 9, 10 states and the District of Columbia use very low income eligibility levels for older children. Four southern states (**ALABAMA, ARKANSAS, LOUISIANA** and **TEXAS**) use eligibility levels below 20% of the poverty level for most children ages 13 through 18.

Table 9 Medicaid Eligibility Levels for Children Ages 13-18 for Selected States July 1996		
State	**Medicaid Eligibility Level for Children Ages 13-18 (Annual Family Income)**	**Percentage of Federal Poverty Level (Family of Three)**
Alabama	$1,968	15.2%
Arkansas	$2,448	18.9%
District of Columbia	$4,980	38.0%
Florida	$3,636	28.0%
Louisiana	$2,280	17.6%
Maryland	$4,476	34.5%
Mississippi	$4,416	34.0%
Oklahoma	$5,652	43.5%
South Carolina	$6,288	48.4%
Tennessee	$6,996	53.9%
Texas	$2,207	17.0%
Source: Southern Institute on Children and Families.		

An issue which will have impact in the future for these older children relates to changes in Supplemental Security Income (SSI) eligibility for disabled children. The 1996 welfare reform legislation changes the eligibility criteria for children with disabilities and it is anticipated some disabled children will lose Medicaid as a result of losing SSI. In the states listed in Table 9, most children ages 13 through 18 who lose SSI will qualify for Medicaid only if they are eligible under the more restrictive AFDC rules.

Table 2 provides Medicaid income eligibility levels by age group for each state effective July 1996. Seven southern states have aggressively used Medicaid to cover uninsured children of all age groups (**DELAWARE, GEORGIA, KENTUCKY, MISSOURI, NORTH CAROLINA, VIRGINIA** and **WEST VIRGINIA**).

States can be innovative in designing their Medicaid eligibility levels to promote improved access. One strategy states can consider is making all children eligible for Medicaid at a state's current income eligibility level for infants. Having the same income eligibility level for all children will eliminate the situation where younger children in a low income family are covered by Medicaid while older siblings are ineligible based solely on their age. This will likely assist in enlisting physicians as Medicaid providers since all children in the family will be covered. Additionally, uniformity across age groups will ease administrative burdens caused by differing criteria.

Eliminate Medicaid Assets Test for Children

The federal Medicaid law gives states the option not to use an assets test in determining eligibility for Medicaid. As of February 1996, 43 states had eliminated the assets test for children.[7] Of the seven states which test for assets for children, three are southern states (**ARKANSAS, OKLAHOMA** and **TEXAS**).

Use Outreach to Enroll Eligible Children in Medicaid

Establishing Medicaid eligibility levels is only the first step in making Medicaid coverage available to children. As the information presented in Table 7 shows, there were substantial numbers of uninsured children in the South who were income eligible for Medicaid, but were not covered by Medicaid.

The first report on ***Uninsured Children in the South*** discussed eligibility barriers, as follows:

> The application process presents significant barriers to eligibility. Children cannot become eligible for Medicaid until an application for benefits is filed, all required verification documents are provided and the application is approved. While some children who appear to be income eligible for Medicaid are denied because of restrictive resource standards or technical program requirements, most children are denied for procedural reasons unrelated to income or resources. Previous research has shown that denials due to the applicant's "failure to comply with procedural requirements" range from 60% to 74% in AFDC and 64% to 79% in the poverty related Medicaid program for pregnant women, infants and children. Across the nation in Fiscal Year 1990, almost three million individuals, primarily children, were denied AFDC and thus Medicaid benefits. Over 60% of these denials were for procedural reasons.[8]

It has been demonstrated that outreach can significantly decrease the number of applicants who are denied for procedural reasons. Examples of successful outreach programs are provided below:

- In Chatham County, Georgia, an outreach program operated by the Department of Family and Children Services reduced the application denial rate from 61% in 1991 to 29% in 1993. Procedural denials were reduced from 67% to 16%.[9]

- In Charleston County, South Carolina, an outreach program operated by the Department of Social Services reduced a 70% denial rate to 18%, with procedural denials dropping from 48% to 3%.[10]

- In DeKalb and Fulton counties in Georgia, 100 cases denied for procedural reasons were randomly selected and the case records were reviewed to determine the likelihood of financial eligibility. The review showed that 76% of the denied applicants were likely to be financially eligible.[11]

Attention to application barriers is even more important given the changes in Medicaid eligibility for welfare recipients. Effective October 1, 1996, states are no longer required to provide Medicaid *automatically* to welfare families even though they are eligible for Medicaid if they meet the eligibility criteria for AFDC in place in a state as of July 16, 1996. The AFDC program has been replaced by the new welfare block grant called Temporary Assistance for Needy Families (TANF). States are currently in the process of deciding how they will comply with the provisions related to determination of Medicaid eligibility for TANF eligible families. In order not to erect barriers to Medicaid, states can make eligibility for Medicaid automatic for families receiving cash assistance. Using a single application will assure that children eligible under TANF will be enrolled in Medicaid.

Another issue related to access to Medicaid is lack of information about availability of coverage. Research conducted by the Southern Institute on Children and Families in Georgia, North Carolina and Tennessee provides evidence that welfare recipients are unaware of the availability of Medicaid coverage when they leave welfare for work.[12] Many of the recipients who participated in personal interviews and focus groups in the three states did not know about transitional Medicaid coverage for parents and children when they leave welfare for work. Many recipients also did not know about the availability of Medicaid coverage for children in low income working families who have no connection to the welfare system. In focus groups in Georgia, 78% of recipients did not know that children under age six are eligible for Medicaid at higher

income levels than older children. Research by the Southern Institute on Children and Families also shows that having health coverage for children is a major factor in helping families leave welfare for work.[13]

Initiate Public/Private Sector Strategies in Addition to Medicaid

With over four million uninsured children living in the South, reducing the number of children who are without health coverage should be a major public policy priority for southern states. Providing health coverage for children addresses several public goals, including improving access to preventive and primary care and helping families to make a successful transition from welfare to work. Medicaid is not the only strategy for meeting that goal, but it is a major financing mechanism available to southern states as they endeavor to provide health coverage for children.

Some states and communities have utilized local resources to provide health coverage to children as either an alternative to Medicaid or when children are ineligible for Medicaid. Many of the programs provide limited coverage. For example, most do not cover hospitalization. However, they do increase access to primary care for uninsured children otherwise lacking financial access.

In the first report of ***Uninsured Children in the South***, the Southern Institute on Children and Families reported the findings of a state survey to identify public and private initiatives underway in 1992 in the southern states to reduce the number of uninsured children. In 1995, the National Governors' Association (NGA) surveyed all of the states to identify state programs that provide health insurance to children not covered by Medicaid or employer-sponsored insurance.[14] Many of these programs, known as Caring for Children, are sponsored by Blue Cross and Blue Shield. NGA reported that the Caring for Children program was operating in seven southern states (**ALABAMA, GEORGIA, LOUISIANA, MISSISSIPPI, MISSOURI, NORTH CAROLINA,** and **VIRGINIA**). **MARYLAND** and **TENNESSEE** were reported as extending coverage to uninsured children through public approaches which used Medicaid waivers. **DELAWARE** and **FLORIDA** were cited as states which had implemented public/private partnerships.

ENDNOTES

[1]Southern Regional Task Force on Infant Mortality, Final Report for the Children of Tomorrow (Washington, DC: Southern Governors' Association, November 1985).

[2]U.S. Congress, Office of Technology Assessment, Healthy Children: Investing in the Future. OTA-H-345 (Washington, DC: U.S. Government Printing Office, February 1988), 17; and Alan C. Monheit and Peter J. Cunningham, "Children Without Health Insurance," The Future of Children vol. 2 no. 2 (Winter 1992): 154-170.

[3]General Accounting Office, Health Insurance for Children: Many Remain Uninsured Despite Medicaid Expansion (Washington, DC: US General Accounting Office, GAO/HEHS-95-175, July 1995) p. 6.

[4]On October 1, 1993, states were required to phase in ten year old children.

[5]General Accounting Office, 2.

[6]David Liska, Karen Obermaier, Barbara Lyons, and Peter Long, Medicaid Expenditures and Beneficiaries: National and State Profiles and Trends, 1984-1993 (Washington, DC: Kaiser Commission on the Future of Medicaid, July 1995).

[7]National Governors' Association, "State Medicaid Coverage of Pregnant Women and Children: Winter 1996", MCH Update (March 15, 1996).

[8]Sarah C. Shuptrine, Vicki C. Grant, and Genny G. McKenzie, Uninsured Children in the South (Columbia, SC: Southern Institute on Children and Families, November 1992) p. 27.

[9]Vicki C. Grant, Sarah C. Shuptrine, and Genny G. McKenzie, Addressing the Need for Outreach to Pregnant Women and Children in Georgia, prepared for the Georgia Department of Medical Assistance (Columbia, SC: Sarah Shuptrine and Associates, March 1994) p. 13.

[10]Ibid., p. 13.

[11]Sarah C. Shuptrine, Vicki C. Grant, and Genny G. McKenzie, Improving Access to Medicaid for Pregnant Women and Children, prepared for The Robert Wood Johnson Foundation and Grady Memorial Hospital (Columbia, SC: Sarah Shuptrine and Associates, February 1993) p. 36.

[12]Sarah C. Shuptrine and Genny G. McKenzie, Information Outreach to Reduce Welfare Dependency: A Georgia Welfare Reform Initiative, Phase I Report, prepared for the Georgia Department of Human Resources, Division of Family and Children Services (Columbia, SC: Southern Institute on Children and Families, August 1996); Sarah C. Shuptrine and Genny G. McKenzie, Information Outreach to Reduce Welfare Dependency: A North Carolina Welfare Reform Initiative, Final Report, prepared for the North Carolina Department of Human Resources, Division of Social Services (Columbia, SC: Southern Institute on Children and Families, May 1996); and Sarah C. Shuptrine, Vicki C. Grant, and Genny G. McKenzie, A Study of the Relationship of Health Coverage to Welfare Dependency (Columbia, SC: Southern Institute on Children and Families, March 1994).

[13]Sarah C. Shuptrine, Vicki C. Grant, and Genny G. McKenzie, A Study of the Relationship of Health Coverage to Welfare Dependency (Columbia, SC: Southern Institute on Children and Families, March 1994) p. 29.

[14]National Governors' Association, "Innovative State Health Initiatives for Children," StateLine (Washington, DC: National Governors' Association, July 21, 1995).

APPENDIX A
MEDICAID AMENDMENTS EXPANDING ELIGIBILITY FOR CHILDREN

Medicaid Amendments Expanding Eligibility for Children (Excerpted from Health Insurance for Children, General Accounting Office, July 1995)

Act	Eligibility Expansion
The Omnibus Budget Reconciliation Act of 1986 (OBRA-86)	OBRA-86 (P.L. 99-509) gave states the option to expand Medicaid income eligibility thresholds above AFDC levels up to the federal poverty level for pregnant women and infants, effective April 1, 1987. It also gave states the option of phasing in coverage for poor children up to age 5, effective October 1, 1990.
The Omnibus Budget Reconciliation Act of 1987 (OBRA-87)	OBRA-87 (P.L. 100-203) allowed states to raise Medicaid income thresholds for pregnant women and infants as high as 185 percent of the federal poverty level, effective July 1, 1988. It also amended the statute to give states the option of phasing in coverage of poor children up to age 8, effective October 1, 1988.
The Medicare Catastrophic Care Amendments of 1988 (MCCA)	MCCA (P.L. 100-360) mandated minimum coverage of pregnant women and infants at the federal poverty level, with a 2-year phase-in period, effective for calendar quarters beginning on or after July 1, 1989. Affected states were to raise income limits to 75 percent of poverty by July 1, 1989, and to poverty level by July 1, 1990. MCCA also added Section 1902 (r) (2) to the Social Security Act, which allows states to use more liberal criteria for Medicaid than is used for the AFDC program to determine Medicaid financial eligibility, effective July 1, 1988. States can disregard specific amounts of income and other resources and allow certain categories of eligible populations to qualify for Medicaid.
The Omnibus Budget Reconciliation Act of 1989 (OBRA-89)	OBRA-89 (P.L. 101-239) superseded MCCA's mandate schedule by requiring states to cover, at a minimum, pregnant women and children up to age 6 at 133 percent of the federal poverty level, effective for calendar quarters beginning on or after April 1, 1990.
The Omnibus Budget Reconciliation Act of 1990 (OBRA-90)	OBRA-90 (P.L. 101-508) required states to begin (effective on or after July 1, 1991) to phase in coverage of children born after September 30, 1983, until all children living below poverty up to age 19 are covered; the upper age limit will be reached by October 2002.

APPENDIX B
METHODOLOGY AND CONFIDENCE INTERVALS FOR 1994 CPS

METHODOLOGY

The source of the estimates of uninsured children is the Current Population Survey (CPS). The data were prepared by The Urban Institute using data specifications submitted by the Southern Institute on Children and Families for 1989 (1990 CPS) and 1993 (1994 CPS). The CPS is a monthly survey conducted by the United States Census Bureau. Each year, the March CPS asks respondents questions about their health insurance coverage during the previous year. Uninsured means the lack of any health insurance, including Medicaid, for an entire year. Because of recent revisions to the CPS questionnaire, the 1994 CPS is the latest data that can be reliably compared to earlier years.

The CPS sample size is very small in some states. There is always the chance in using samples of the population that sampling error will be introduced. The size of the sample affects the relative precision of the estimates produced from the sample. To aid in understanding the precision of the specific estimates, 90% confidence intervals were computed for estimates of uninsured children in 1993. The confidence interval means that the reader may be 90% confident that the true number of uninsured children for a particular age and income range lies within the interval. States interested in extending Medicaid coverage to more uninsured children should be cautious and not rely on a single year of CPS data, particularly for budget estimates.

In displaying data on uninsured children, references are made to the federal poverty level. The federal government revises and issues the poverty level guidelines each year. Income levels vary by family size. This report uses a family of three to illustrate Medicaid eligibility levels. The Southern Institute on Children and Families obtained Medicaid eligibility levels in effect in July 1996 by surveying Medicaid single state agencies or the agencies under contract to determine eligibility.

In all of the data tables on uninsured children, the 1989 federal poverty level was used for 1989 data and the 1993 federal poverty level was used for 1993 data. The table below provides the annual income for a family of three at various levels of the federal poverty level for 1989, 1993 and 1996.

Table 10 Federal Poverty Level for a Family of Three, 1989, 1993 and 1996			
Percentage Federal Poverty Level	**Annual Income 1989**	**Annual Income 1993**	**Annual Income 1996**
50%	$5,030	$5,945	$6,490
100%	$10,060	$11,890	$12,980
133%	$13,380	$15,814	$17,263
150%	$15,090	$17,835	$19,470
185%	$18,611	$21,997	$24,013

The confidence intervals for each state are found on the following pages.

90% CONFIDENCE INTERVALS OF UNINSURED CHILDREN, 1993

State	Age	≤100% Federal Poverty Level		101%-200% Federal Poverty Level		≥201% Federal Poverty Level		Total	
		Low	High	Low	High	Low	High	Low	High
Alabama	Age 0 to 1	-673	9,339	0	0	-885	8,427	1,180	15,004
	Age 1-5	-1,513	4,617	-672	9,007	35	11,166	3,222	19,368
Sample Size: 74	Age 6-12	14,287	33,568	12,787	29,953	8,735	25,868	46,978	78,108
	Age 13-18	24,897	44,815	14,290	31,551	19,596	38,075	70,531	102,768
Arkansas	Age 0 to 1	-824	3,283	-742	3,860	2,386	11,160	3,955	15,185
	Age 1-5	5,520	15,989	5,413	16,784	2,938	12,036	20,366	38,404
Sample Size: 108	Age 6-12	9,650	21,076	18,201	32,803	5,238	15,318	40,610	61,832
	Age 13-18	5,783	16,340	16,953	31,432	4,544	14,378	34,472	55,031
Delaware	Age 0 to 1	0	0	-237	1,456	0	0	-250	1,461
	Age 1-5	-158	1,229	1,046	4,253	1,221	4,279	3,605	8,271
Sample Size: 40	Age 6-12	-116	1,321	2,689	6,467	184	2,584	4,157	8,976
	Age 13-18	66	1,609	2,712	6,494	3,096	6,396	7,518	12,834
District of Columbia	Age 0 to 1	-275	1,191	-255	1,271	0	0	-99	2,030
	Age 1-5	-204	1,541	1,243	4,145	-100	1,513	2,066	6,044
Sample Size: 48	Age 6-12	2,754	6,112	2,665	5,652	174	1,981	7,233	12,117
	Age 13-18	1,958	5,241	0	0	116	1,899	2,535	6,696
Florida	Age 0 to 1	-1,013	5,269	-659	7,277	-144	8,821	2,844	16,387
	Age 1-5	7,844	24,504	35,754	62,683	26,414	51,246	84,323	124,951
Sample Size: 299	Age 6-12	29,917	53,790	81,839	113,380	93,145	125,519	222,893	274,838
	Age 13-18	68,784	94,657	42,382	70,531	49,628	79,227	177,441	227,531
Georgia	Age 0 to 1	0	0	0	0	-434	16,680	-495	16,864
	Age 1-5	0	0	2,747	23,234	9,144	36,012	18,284	52,645
Sample Size: 75	Age 6-12	3,124	22,016	22,642	51,001	27,879	61,882	70,141	118,639
	Age 13-18	27,086	45,978	22,068	50,370	43,912	79,992	109,263	160,267
Kentucky	Age 0 to 1	0	0	0	0	-477	8,998	-587	9,076
	Age 1-5	2,519	15,133	4,133	15,602	1,098	12,909	14,947	36,484
Sample Size: 60	Age 6-12	3,719	17,088	6,240	17,881	10,537	27,631	29,019	54,119
	Age 13-18	15,660	31,155	-1,252	5,065	18,911	37,115	40,244	66,612

90% CONFIDENCE INTERVALS OF UNINSURED CHILDREN, 1993

STATE	Age	≤100% Federal Poverty Level		101%-200% Federal Poverty Level		≥201% Federal Poverty Level		Total	
		Low	High	Low	High	Low	High	Low	High
Louisiana	Age 0 to 1	-1,714	5,617	1,440	16,287	0	0	2,203	19,227
	Age 1-5	10,060	32,868	7,719	27,393	-754	10,465	27,610	60,120
Sample Size: 122	Age 6-12	63,611	98,521	21,823	45,646	11,734	32,251	112,950	160,287
	Age 13-18	55,832	90,335	14,711	37,095	33,712	55,259	119,482	167,149
Maryland	Age 0 to 1	0	0	0	0	-1,581	9,202	-1,668	9,289
	Age 1-5	0	0	2,512	19,102	6,524	26,543	14,081	40,535
Sample Size: 37	Age 6-12	0	0	6,477	25,204	15,803	38,448	27,704	58,157
	Age 13-18	13,082	13,082	12,701	32,698	7,043	27,316	37,092	68,837
Mississippi	Age 0 to 1	0	0	0	0	-800	3,457	-848	3,431
	Age 1-5	0	0	-854	3,078	-388	5,438	58	7,175
Sample Size: 95	Age 6-12	2,783	11,898	6,295	17,584	12,171	24,506	27,990	47,434
	Age 13-18	24,620	33,735	29,428	41,049	15,841	28,365	76,470	96,592
Missouri	Age 0 to 1	0	0	0	0	-1,982	7,055	-2,105	7,101
	Age 1-5	-301	12,608	4,102	23,207	2,976	20,301	17,010	45,879
Sample Size: 51	Age 6-12	-1,925	6,486	17,836	41,268	10,700	30,880	35,735	69,471
	Age 13-18	15,604	29,999	11,550	33,965	5,424	24,120	43,089	77,693
North Carolina	Age 0 to 1	0	0	-584	2,611	1,250	8,060	1,933	9,471
	Age 1-5	55	4,858	9,950	20,789	8,299	19,444	23,547	40,039
Sample Size: 152	Age 6-12	1,952	8,481	13,803	25,381	26,889	42,004	49,150	69,383
	Age 13-18	12,037	19,402	14,479	26,168	32,384	47,866	65,630	86,770
Oklahoma	Age 0 to 1	-548	7,211	-404	7,710	0	0	1,388	12,703
	Age 1-5	11,590	28,556	13,596	31,912	11,539	26,931	47,168	76,731
Sample Size: 151	Age 6-12	19,393	38,244	38,190	60,340	14,509	30,372	83,883	117,270
	Age 13-18	21,478	40,657	18,792	38,614	6,644	20,549	57,829	88,906
South Carolina	Age 0 to 1	0	0	0	0	-90	7,826	-192	7,929
	Age 1-5	4,493	16,662	8,783	22,142	1,607	11,685	22,223	43,388
Sample Size: 89	Age 6-12	8,385	22,209	8,583	21,882	10,550	24,969	36,276	60,283
	Age 13-18	20,647	35,984	8,660	21,989	18,466	33,832	56,896	82,680

90% CONFIDENCE INTERVALS OF UNINSURED CHILDREN, 1993

STATE	Age	≤100% Federal Poverty Level		101%-200% Federal Poverty Level		≥201% Federal Poverty Level		Total	
		Low	High	Low	High	Low	High	Low	High
Tennessee	Age 0 to 1	-	-	-	-	-	-	0	0
	Age 1-5	0	0	0	0	2,792	18,518	2,456	18,953
Sample Size: 51	Age 6-12	2,873	16,139	16,843	35,182	7,860	26,701	37,566	68,011
	Age 13-18	13,021	26,287	13,991	32,330	29,645	50,950	67,414	98,869
Texas	Age 0 to 1	0	0	1,595	17,733	5,556	25,626	12,779	38,867
	Age 1-5	26,309	57,546	56,933	98,573	44,374	80,943	150,982	214,677
Sample Size: 531	Age 6-12	73,163	114,911	138,802	191,537	99,836	143,739	340,836	421,471
	Age 13-18	140,821	185,614	159,311	213,199	73,048	114,635	401,796	484,464
Virginia	Age 0 to 1	0	0	-1,447	8,967	0	0	-1,415	9,133
	Age 1-5	-1,585	6,040	15,902	40,704	6,209	26,185	30,213	63,264
Sample Size: 70	Age 6-12	-1,234	7,533	27,707	55,009	19,949	45,024	57,805	96,130
	Age 13-18	6,759	17,289	18,275	43,762	30,664	56,893	67,210	106,450
West Virginia	Age 0 to 1	0	0	0	0	-626	2,724	-620	2,774
	Age 1-5	0	0	-601	2,708	130	5,392	669	6,987
Sample Size: 56	Age 6-12	-232	4,177	430	5,644	5,728	14,150	9,363	20,547
	Age 13-18	12,540	16,949	8,506	14,299	9,472	18,247	33,937	46,101
United States	Age 0 to 1	59,151	99,782	67,093	110,158	147,096	207,771	306,009	389,210
	Age 1-5	359,843	444,170	663,942	773,759	734,591	850,987	1,825,646	2,007,455
Sample Size: 5,802	Age 6-12	702,801	807,061	1,208,982	1,338,178	1,372,778	1,511,464	3,358,849	3,574,555
	Age 13-18	1,044,880	1,156,806	1,134,025	1,262,144	1,294,738	1,430,947	3,554,600	3,773,388